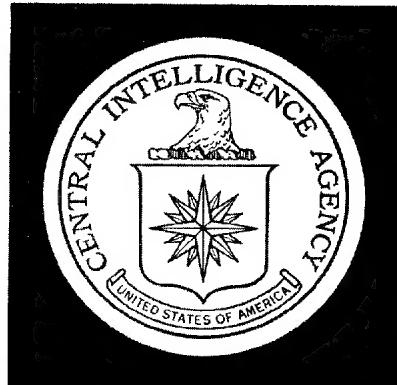


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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

Foreign Shipping to North Vietnam in February 1967

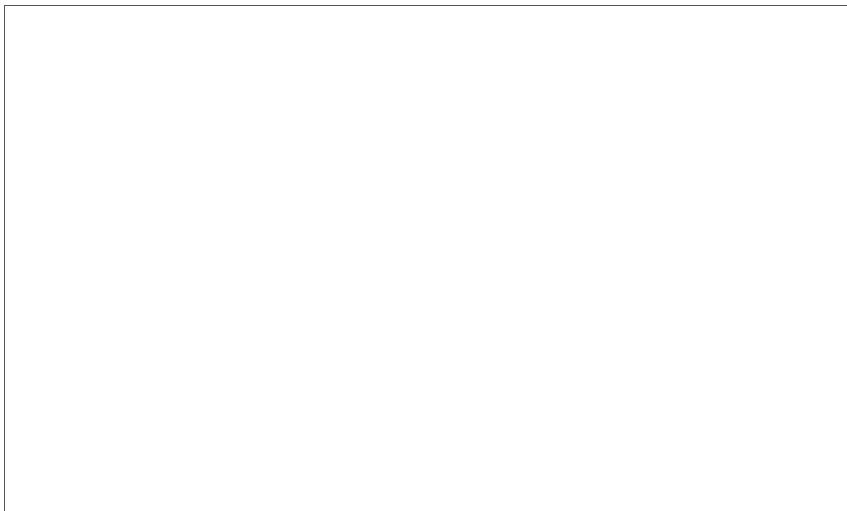
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FOR E W O R D

The data in this memorandum are preliminary and subject to modification as additional information becomes available. Significant changes may occur in data on ship arrivals and cargoes from Communist China and, to a lesser extent, in data on cargoes carried by ships of the Free World. Data on Soviet and Eastern European ship arrivals and cargoes and on Free World arrivals are not likely to be changed significantly. As required, changes will be reported in subsequent memoranda. All data on cargoes carried are expressed in metric tons.

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FOREIGN SHIPPING TO NORTH VIETNAM
IN FEBRUARY 1967*

Summary

Substantially more Soviet ships arrived at North Vietnam in February than in January, the previous record month, primarily because the North Vietnamese chartered a number of small Soviet ships to carry coal to Japan (see Figure 1). Continued large imports of petroleum and bulk foods pushed total seaborne imports to the second highest level on record, but exports declined substantially because of a sharp drop in exports of cement and the lack of pig iron exports.

Foreign ships made the highest number of calls since January 1966, and exceeded the monthly average for 1966 by about one-fourth, as shown in the tabulation below:

Flag	Monthly Average 1966	January 1967	February 1967
Total	<u>31.6</u>	<u>37</u>	<u>40</u>
Communist countries	<u>25.4</u> a/	<u>31</u>	<u>35</u>
USSR	10.2	16	24
Eastern Europe	3.5	4	3
Albania	0.2		
Communist China	11.5	11	8
Cuba	0.1		
Free World	<u>6.2</u>	<u>6</u>	<u>5</u>
United Kingdom	4.2	6	3
Other	2.0		2

a. Because of rounding, components do not add to the total shown.

* This memorandum was produced by the Office of Research and Reports; the estimates and conclusions represent the best judgment of the Directorate of Intelligence as of 15 March 1967.

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The total volume of cargoes handled at North Vietnamese ports was about the same as in January but more than the monthly average for 1966. Imports were substantially above the 1966 average. Imports of petroleum and bulk foodstuffs remained at a high level. Four Soviet tankers from Vladivostok and one UK ship carrying drummed gasoline from Shanghai brought in the petroleum and 11 dry cargo ships, 8 of them Soviet, the bulk foodstuffs. More than half of the foodstuffs came from the USSR; the remainder came from Communist China, Poland, Cambodia, and Singapore. Soviet ships from the Black Sea delivered trucks, tractors, bulldozers, excavators, and cranes. No imports of arms or ammunition by sea were detected.

The volume of exports in February was 14 percent below the monthly average for 1966. Exports of coal were close to earlier levels, but exports of cement and miscellaneous and general cargoes declined, and there were no exports of pig iron.

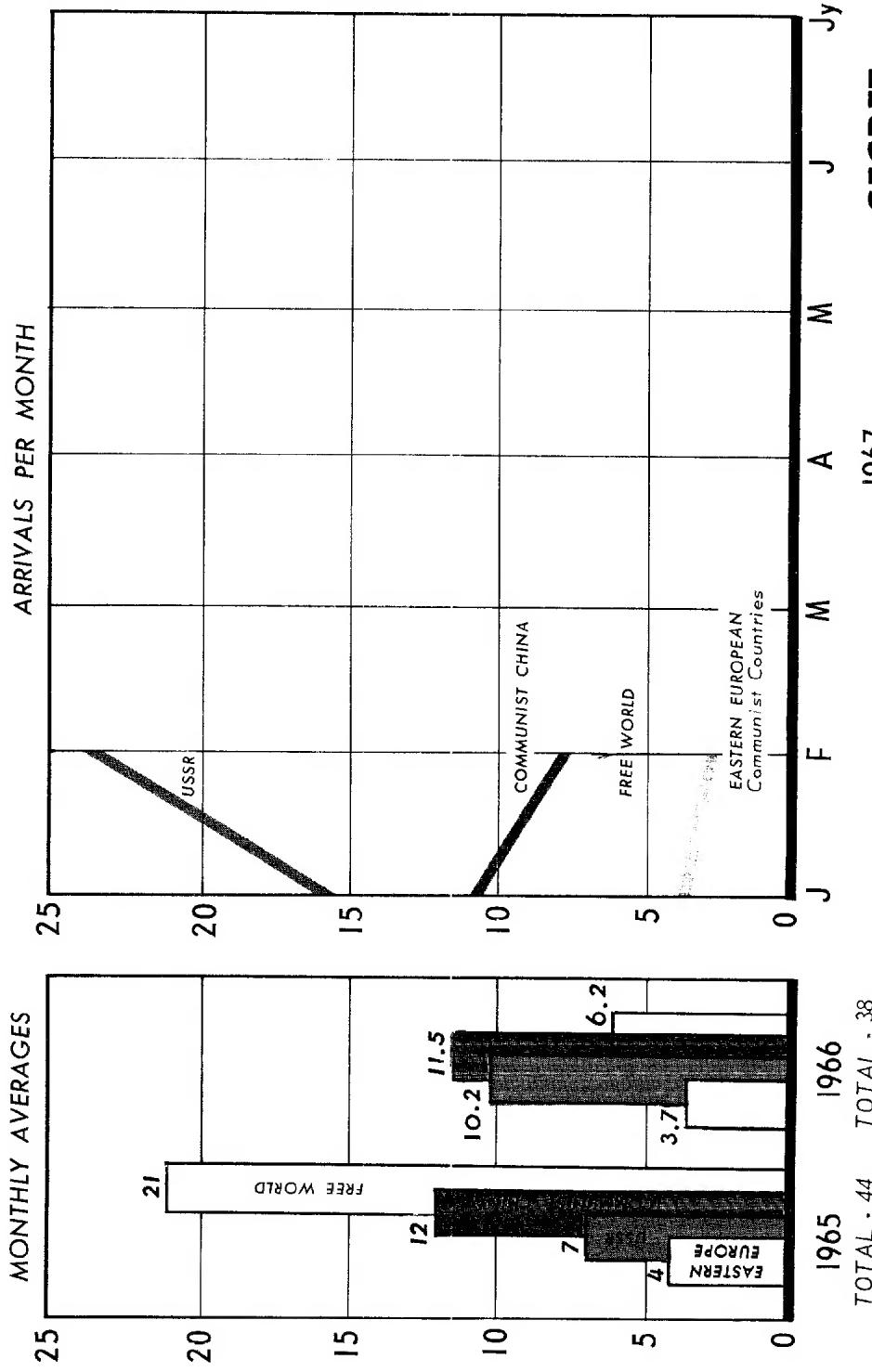
In March, Soviet ships probably will continue the high level of food imports to North Vietnam. Also the UK ship Kingford may arrive with another load of drummed gasoline from Shanghai.

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North Vietnam: Foreign Ship Arrivals

Figure 1



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I. Communist Shipping

The 24 calls by Soviet ships at North Vietnamese ports in February -- 20 by dry cargo ships and 4 by tankers -- substantially exceeded the previous high of 16 in January. The increase was largely accounted for by small dry cargo ships (under 4,000 GRT) chartered by North Vietnam to carry coal to Japan.

Four large Soviet dry cargo ships (10,000 to 11,000 GRT) arrived from the Black Sea port of Novorossiysk with fertilizer, POL, and miscellaneous and general cargoes. One Soviet ship arrived from Constanta with maize, POL, and general cargo. Fifteen small Soviet dry cargo ships under charter to North Vietnam came from ports in the Far East, many of them bringing bulk food-stuffs. The North Vietnamese had made repeated requests to the USSR for charters on more such small ships, but the USSR apparently did not have enough available. The USSR now probably has a seasonal surplus of small ships in the Far East that can be used in the North Vietnamese trade until the Northern Sea Route opens this summer.

The Soviet ship Zeya (1,248 GRT) apparently replaced North Vietnamese shipping on the run between Hong Kong and North Vietnam in February (see Figure 2). The principal flow of cargoes is outbound from North Vietnam to Hong Kong. During an earlier withdrawal of North Vietnamese ships from this run in October-November 1966, Polish-flag ships carried unusually large volumes of North Vietnamese exports to Hong Kong. The reason for the withdrawal of North Vietnamese ships from this route is not known.

The Soviet tanker Abakan (1,770 GRT), which arrived in Haiphong on 12 January, is still in port. There are indications that the crew has been returned to the USSR and that the ship is being used for local deliveries or for refueling other ships.

Eight Chinese Communist ships arrived in February, somewhat fewer than the monthly average of 12 in 1966. All of the Chinese ships sailed to Haiphong, presumably to discharge cargoes, although cargo was identified on only three of them. Seven of the ships arrived from China; the other, under charter to CHIPOLBROK, delivered fertilizer from Morocco and miscellaneous and general cargo from Poland. Four Chinese ships departed from North Vietnam during the month -- one from Cam Pha with coal, and three from Haiphong, probably in ballast.

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Eastern European ships that arrived in North Vietnam included two Polish cargo liners and a Bulgarian ship that loaded coal for Japan. The Polish ships brought general cargoes, including lard, from Gdynia.

II. Free World Shipping

All of the five Free World ships that arrived in February brought in cargoes, representing 12 percent of total identified seaborne imports. One Cypriot ship carried rice and timber from Cambodia, one Maltese ship discharged five tons of machinery from North Korea, two UK ships arrived at Hon Gay with coking coal, and the UK ship Wishford carried drummed gasoline from Shanghai. These British-flag ships were under time charter to Communist China. They are owned by the Ocean Tramping Co. of Hong Kong, a firm believed to be controlled by Communist China. The Cypriot and Maltese ships were under time charter to North Vietnam.

Three of the seven Free World ships that departed from North Vietnam carried coal for Japan and Communist China, one carried cement for Cambodia and general cargo for Singapore, and three, including one tanker, left empty.

III. Cargoes

In February, foreign ships carried about the same volume of identified cargo in and out of North Vietnam as in January, but more than the monthly average for 1966, as shown in the following tabulation (in thousand metric tons):

	February 1967	January 1967	February 1966	Monthly Average 1966
Total cargoes carried by foreign ships	186.4	186.3	190.5	172.0
Imports	105.2	84.1	54.5	77.4
Exports	81.2	102.2	136.1	94.6

Identified imports were substantially above those of January 1967 and greater than the monthly average for 1966, but the reverse was true for exports.

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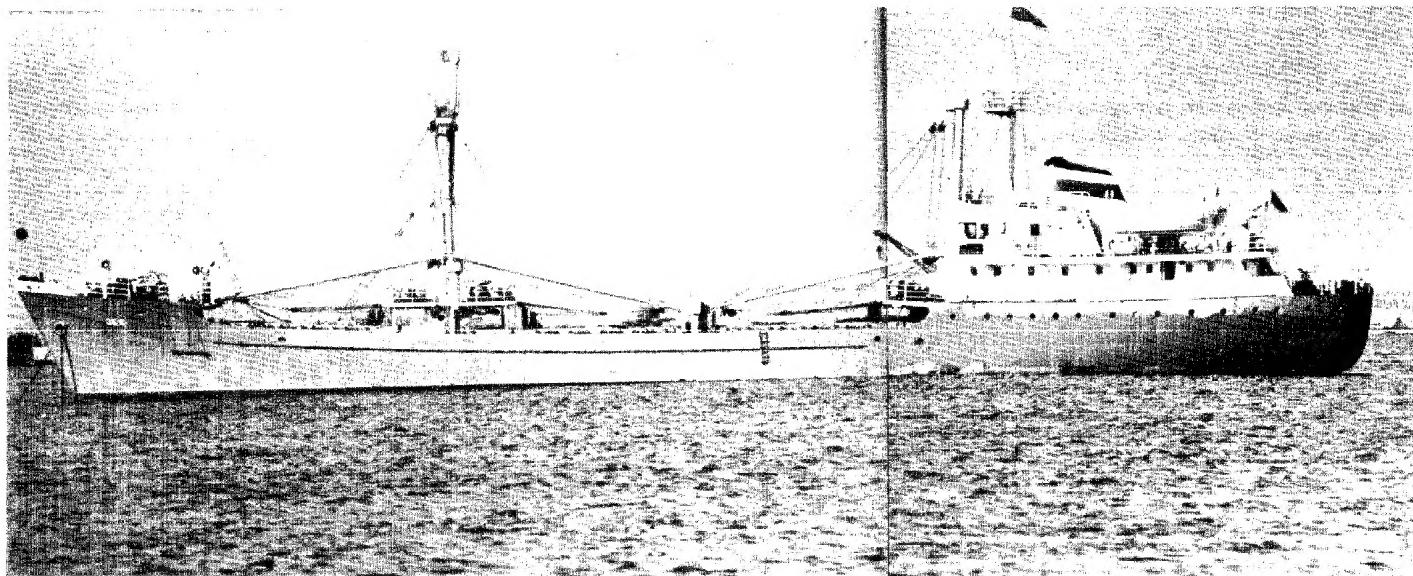


FIGURE 2, THE SOVIET DRY CARGO SHIP ZEYA (1,248 GRT), NOW BEING USED
ON THE HAIPHONG-HONG KONG RUN

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Imports of petroleum by sea, almost all from the USSR, totaled some 23,800 tons in February, compared with 28,000 tons in January* and an average monthly volume of 16,700 tons in 1966. Four Soviet tankers from Vladivostok -- three of 3,360 GRT and one of 6,236 GRT -- brought in 20,400 tons of petroleum products, and three Soviet dry cargo ships delivered 500 tons of packaged POL from Novorissiysk and 100 tons from Constanta. The UK-flag ship Wishford brought in 14,000 drums of gasoline (2,800 tons) from Shanghai. The British dry cargo ship Kingford may bring in another shipment of drummed gasoline from Shanghai in March.

Imports of bulk foods were about 23,000 tons, only slightly less than the January record and about three and one-half times the average monthly volume in 1966. A comparison of the imports of bulk food for the first two months of 1967 and the entire year 1966 is shown below (in thousand metric tons):

Origin and Commodity	1966	January- February 1967
Communist China	<u>39.4</u>	<u>7.6</u>
Rice	34.4	7.6
Soybeans	1.0	
Sugar	4.0	
USSR	<u>6.4</u>	<u>18.1</u>
Milk	0.9	0.4
Flour	5.4	17.6
Unidentified	0.1	
Cuba (sugar)	<u>21.7</u>	<u>10.1</u>
Rumania (maize)		<u>7.8</u>
Poland (meat and lard)		<u>0.3</u>
Cambodia	<u>7.8</u>	<u>2.0</u>
Maize	7.8	
Rice		2.0
Singapore (coconut and palm oil)	<u>±.8</u>	<u>0.5</u>
Total	<u>77.1</u>	<u>46.4</u>

* Confirmation has been received that the British tanker Taipieng delivered 7,000 tons of petroleum products from Shanghai to Haiphong in January. The ship discharged into barges, which in turn discharged along the shore downstream from Haiphong.

In the first two months of 1967, North Vietnam imported more bulk foods by sea (46,400 tons) than it did during the first ten months of 1966 (46,300 tons). Food imports are expected to be somewhat higher in March than in February.

Imports of fertilizer (24,400 tons) were more than double the January level and substantially above the monthly average (18,700 tons) for 1966. The USSR accounted for 77 percent of these imports. The remainder came from Morocco and North Korea.

Imports of miscellaneous and general cargoes were significantly higher than in January, but substantially lower than the monthly average for 1966. Ninety-three percent of these imports came from Communist countries. They included trucks, tractors, bulldozers, excavators, cranes, electrical equipment, metals, tires, and textiles from the USSR; 6,000 tons of coking coal from Communist China; and chemicals and machinery from Poland. The small volume of miscellaneous and general cargoes from the Free World included surgical instruments from France, wool from Japan, and wood oil from Cambodia. No imports of arms or ammunition by sea were detected.

Identified North Vietnamese exports in February were 21 percent below the January level and 14 percent below the monthly average for 1966. Exports of coal were only slightly below those of earlier levels, but exports of cement and miscellaneous and general cargoes were substantially less. No pig iron or apatite was exported.

Coal shipments from Cam Pha were slightly lower than in January, which had been the highest volume since the US airstrikes of April 1966, and shipments from Hon Gay were somewhat greater than in January, as shown by the following tabulation (in tons):

	<u>Cam Pha</u>	<u>Hon Gay</u>	<u>Haiphong</u>	<u>Total</u>
January	62,550	12,400	2,300	77,300
February	60,665	14,100		74,765
Average monthly volume in 1966				75,500

About two-thirds of the coal exports in February (48,950 tons) went to Japan. Communist China got 21,815 tons and Malaysia 4,000 tons.

The coal exports to Japan were the largest of any month since 1965 and were 47 percent more than the average volume for the preceding six months. Shipments to Communist China decreased 18 percent below the average level of the preceding six months as North Vietnam again gave priority to shipments to Japan, which earn hard currency. The recovery of North Vietnam's coal trade with Japan probably was assisted by the availability of small Soviet ships for voyage charters. Since the withdrawal of Japanese ships from the North Vietnam trade in March 1965, small Japanese coal importers have sought small ships for this trade, but only larger ships were available. Until the appearance of these small Soviet ships, the coal trade between the two countries had been carried in larger Free World ships that were uneconomic for the small Japanese importers.

No exports of coal from Haiphong were detected in February. No movement of coal to Haiphong on foreign merchant ships from either Hon Gay or Cam Pha was detected, whereas one such movement was noted in each of the five preceding months. Such shipments to Haiphong are probably no longer needed, because anthracite is now being supplied to Haiphong from the renovated mines at Vang Danh.

There were indications that some congestion of shipping was developing at Haiphong and Cam Pha, but foreign freighters departing from Haiphong in February had been in port an average of 10 days, approximately a normal turnaround time for that port.

Table 1

North Vietnam: Foreign-Flag Ship Arrivals a/
January, February, and Cumulative 1967

Flag	February		January		Cumulative	
	Number	Percent	Number	Percent	Number	Percent
Total	<u>40</u>	<u>100.0</u>	<u>37</u>	<u>100.0</u>	<u>77</u>	<u>100.0</u>
Communist countries	<u>35</u>	<u>87.5</u>	<u>31</u>	<u>83.8</u>	<u>66</u>	<u>85.7</u>
USSR	<u>24</u>	<u>60.0</u>	<u>16</u>	<u>43.2</u>	<u>40</u>	<u>51.9</u>
Eastern Europe	<u>3</u>	<u>7.5</u>	<u>4</u>	<u>10.8</u>	<u>7</u>	<u>9.1</u>
Bulgaria	<u>1</u>	<u>2.5</u>	<u>2</u>	<u>5.4</u>	<u>3</u>	<u>3.9</u>
Poland	<u>2</u>	<u>5.0</u>	<u>2</u>	<u>5.4</u>	<u>4</u>	<u>5.2</u>
Communist China	<u>8</u>	<u>20.0</u>	<u>11</u>	<u>29.7</u>	<u>19</u>	<u>24.7</u>
Free World	<u>5</u>	<u>12.5</u>	<u>6</u>	<u>16.2</u>	<u>11</u>	<u>14.3</u>
Cyprus	<u>1</u>	<u>2.5</u>			<u>1</u>	<u>1.3</u>
Malta	<u>1</u>	<u>2.5</u>			<u>1</u>	<u>1.3</u>
United Kingdom	<u>3</u>	<u>7.5</u>	<u>6</u>	<u>16.2</u>	<u>9</u>	<u>11.7</u>

a. Because of rounding, components may not add to the totals shown.

Table 2

North Vietnam: Tonnage of Foreign-Flag Ship Arrivals a/
January, February, and Cumulative 1967

Flag	February		January		Cumulative	
	Number	Thousand Gross Register Tons	Number	Thousand Gross Register Tons	Number	Thousand Gross Register Tons
Total	<u>40</u>	<u>188.3</u>	<u>37</u>	<u>179.8</u>	<u>77</u>	<u>368.1</u>
Dry cargo	36	172.0	31	156.0	67	328.0
Tanker	4	16.3	6	23.8	10	40.1
Communist countries	<u>35</u>	<u>163.9</u>	<u>31</u>	<u>145.6</u>	<u>66</u>	<u>309.5</u>
USSR	24	110.4	16	74.0	40	184.3
Eastern Europe	3	23.9	4	27.4	7	51.3
Communist China	8	29.7	11	44.2	19	73.9
Free World	<u>5</u>	<u>24.4</u>	<u>6</u>	<u>34.2</u>	<u>11</u>	<u>58.5</u>

a. The aggregate tonnage of ships calling is not necessarily correlative to the actual volume of cargoes moving into and out of North Vietnam, but these data are of value as indications of relative changes in the volume of shipping. Because of rounding, components may not add to the totals shown.

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Table 3

North Vietnam: Identified Imports Carried by Foreign-Flag Ships a/
February 1967

Thousand Metric Tons

Flag	Commodity						Total
	Ammonium Sulfate and Other Fertilizers	Petroleum	Bulk Foodstuffs	Timber	Miscellaneous		
Total	<u>24.4</u>	<u>23.8</u>	<u>22.6</u>	<u>4.7</u>	<u>29.8</u>	<u>105.2</u>	
Communist countries	<u>24.4</u>	<u>21.0</u>	<u>21.4</u>	<u>1.6</u>	<u>23.7</u>	<u>92.1</u>	
USSR	20.3	21.0 b/	17.3	1.6	15.8	76.1	
Eastern Europe			0.3		1.8	2.1	
Communist China c/	4.0		3.8		6.1	13.9	
Free World	0	<u>2.8</u>	<u>1.2</u>	<u>3.0</u>	<u>6.1</u> d/	<u>13.1</u>	

a. Identified imports include some estimates of bulk cargoes, using methods which have proved to be highly reliable. Because of rounding, components may not add to the totals shown.

b. Includes 580 tons carried on dry cargo ships.

c. An additional unknown quantity of imports may have been carried by Chinese Communist ships.

d. Includes an estimated 6,000 tons of coking coal from Communist China.

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Table 4

North Vietnam: Identified Exports Carried by Foreign-Flag Ships a/
February 1967

Flag	Commodity				Thousands Metric Tons
	Coal	Cement	Pig Iron	Miscellaneous	
Total	<u>74.8</u>	<u>1.7</u>	<u>0</u>	<u>4.7</u>	<u>81.2</u>
Communist countries	<u>55.2</u>	<u>0.8</u>	<u>0</u>	<u>4.5</u>	<u>60.5</u>
USSR	45.9	0.8		2.6	49.4
Eastern Europe				1.9	1.9
Communist China <u>b/</u>	9.3				9.3
Free World	<u>19.5</u>	<u>0.9</u>	<u>0</u>	<u>0.2</u>	<u>20.6</u>

a. Identified exports include some estimates of bulk cargoes, using methods which have proved to be highly reliable. Because of rounding, components may not add to the totals shown.

b. An additional unknown quantity of exports may have been carried by Chinese Communist ships.

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